



## **MINNESOTA GROCERS ASSOCIATION**

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### **STATE OF MINNESOTA** **PUBLIC UTILITIES COMMISSION**

Chair Katie Sieben  
Vice-Chair Joseph Sullivan  
Commissioner Hwikwon Ham  
Commissioner John Tuma  
Commissioner Audrey Partridge

September 8, 2025

In the Matter of a Commission Evaluation of Changes Docket  
to Natural Gas Utility Regulatory and Policy Structures to  
Meet State Greenhouse Gas Reduction Goals

No. G999/CI-21-565

#### **Re: Reply comments of the Minnesota Grocers Association**

The Minnesota Grocers Association (MGA) appreciates the opportunity to provide reply comments on Docket Number G-999/CI-21-565.

The MGA is the only state trade association that represents the food industry of Minnesota from farm to fork. We have over 300 retail, manufacturers, and wholesale members supporting nearly 1,300 locations statewide. Our member companies employ over 150,000 union and non-union Minnesotans. We actively advance the common interest of all those engaged in any aspect of the food industry.

As an energy-intensive industry, Minnesota's grocery stores are particularly vulnerable to high energy costs throughout our supply chain and operations. From food canneries to grocery store freezers, energy usage is used to help produce and preserve Minnesota's food supply. Current natural gas line extension policies have provided the benefits of reliable, affordable, and safe heating to many of our members. This energy resource is used to dry crops, process/can food and cook food for MGA members. We urge the Public Utilities Commission to continue line extension allowances, providing predictable, stable, and equitable access to this necessary energy resource.

The policies proposed by groups to end line extension allowances would result in higher energy costs and less diversification in energy supplies. As an industry already operating on increasingly narrow margins, reducing energy infrastructure access and increasing energy costs could lead to:

- Closure of independent grocery stores across Minnesota
- Greater consolidation of the food industry by large-scale operations
- Worsening "food deserts" in both urban and low-density rural areas



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When costs increase, small stores are often left with one option, to close their operations. We have seen this happen most recently in both urban and low-density rural areas.

Eliminating line extension allowances would impose immediate higher operating costs for newly constructed grocery stores, creating a significant barrier to market entry for all but the largest big-box retailers. In communities along our state boarder, added cost and constrained access could push new construction of food processing/manufacturing and grocery stores to other states. The MGA seeks to ensure Minnesotan's access to food and also our economic competitiveness.

Minnesota's economy-wide net-zero by 2050 goal is an aspirational goal and not directed at one particular industry, segment, or entity. Eliminating line extension allowances will not help achieve this goal, but will unfairly shift costs. Additionally, there has not been a legislative directive to limit access to natural gas. As the Commission looks to balance competing priorities, the MGA asks Commissioners and their staff to consider the critical importance of affordable and reliable energy to our members.

Respectfully Submitted,

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